

VZCZCXRO0623

RR RUEHAG RUEHAST RUEHDA RUEHDBU RUEHDF RUEHFL RUEHIK RUEHKW RUEHLA
RUEHLN RUEHLZ RUEHROV RUEHSR RUEHVK RUEHYG
DE RUEHB #0670/01 0591650
ZNR UUUUU ZZH
R 281650Z FEB 07
FM USEU BRUSSELS
TO RUEHC/SECSTATE WASHDC
RUEHC/DOL WASHDC
RUEATRS/DEPT OF TREASURY WASHDC
INFO RUEHZL/EUROPEAN POLITICAL COLLECTIVE

UNCLAS SECTION 01 OF 02 BRUSSELS 000670

SIPDIS

SIPDIS

DOL FOR BLS AND ILAB
TREASURY FOR IMI
STATE FOR DRL/IL

E.O. 12958: N/A

TAGS: [ELAB](#) [EUN](#)

SUBJECT: EU UNEMPLOYMENT DOWN TO 7.5 PERCENT; EURO
ZONE RATE DOWN TO 7.4 PERCENT

¶1. SUMMARY. The aggregate unemployment rate for the EU-27 was down to 7.5 percent in January 2007, according to data published by the EU Commission's Statistical Office (EUROSTAT) on February 28. The unemployment rate for the euro zone (the thirteen EU countries participating in the euro) was down to 7.4 percent. Both rates showed a marginal improvement (0.1 percentage point) compared to the previous month. END SUMMARY.

¶2. With seasonal adjustment and compensation for differences in national statistical methods, the EU-27 unemployment rate stood at 7.5 percent in January 2007, down from 7.6 percent in December 2006 and 8.3 percent in January 2006. The unemployment rate for the euro zone stood at 7.4 percent in January 2007, down from 7.5 percent in December 2006 and from 8.3 percent in January 2006. Though masking conflicting trends in the individual countries (more decreases than increases), the month-to-month decrease in both the EU-27 and euro zone rates appear to be chiefly due to the continuing improvement in the situation of the German labor market.

¶3. The lowest rates compiled from the EU-27 for January 2007 were recorded in Denmark (3.2 percent), the Netherlands (3.6 percent) and Estonia (4.2 percent). The highest rates (January 2007 rates, unless otherwise indicated) were recorded in Poland (12.6 percent), Slovakia (11.0 percent) and Greece (8.7 percent, third quarter 2006).

¶4. EUROSTAT noted that the compariment in the Ne4was estimated at 16.8 percent for the EU-7 actively in January 2006.

¶7. EUROSTAT estimated that 17.5 million were unemployed in the EU-27 in January 2007 (11.1 million intes in ascending order for the individual EU member states:

(Seasonally-adjusted)
(January 2007 unless otherwise indicated)

Denmark 3.2 (December 2006)
Netherlands 3.6
Estonia 4.2
Ireland 4.4

Austria	4.5
Cyprus	4.7
Luxembourg	5.0
Slovenia	5.0
UK	5.4 (November 2006)
Latvia	6.1
Lithuania	6.3
Czech Republic	6.6
Italy	6.7 (third quarter 2006)
Malta	6.8
Finland	7.0
Portugal	7.2
Romania	7.5
Germany	7.7 (provisional)
Belgium	7.8
Hungary	7.9
France	8.4
Bulgaria	8.5
Spain	8.6
Greece	8.7 (third quarter 2006)
Slovakia	11.0
Poland	12.6
Sweden	N/A
Euro zone	7.4
EU-27	7.5

¶8. The monthly rates and numbers of unemployed are estimated and based on data from the annual EU labor force survey. The estimated rates may differ from national unemployment rates due to differences in methods and definitions of unemployment. Unemployed people according to ILO criteria are those aged 15 and over who:

- Are without work;
- Are available to start work within the next two weeks; and
- Have actively sought employment at some time during the previous four weeks.

McKINLEY